



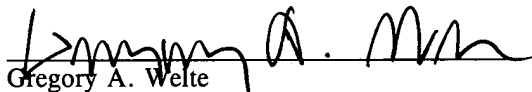
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Assignee's Docket No.: 9381.00 )  
Group Art Unit: 3693 )  
Serial No.: 09/966,027 )  
Examiner: Kirsten Sachwitz Apple )  
Filing Date: September 28, 2001 )  
Title: Methods and Apparatus for )  
Self Service Networks )  
\_\_\_\_\_ )

CERTIFICATE OF MAILING

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REPLY BRIEF

Re: Examiner's Answer ("Answer" Herein), Pages 1 - 4

No reply is needed.

Re: Answer, Page 4, Last Paragraph  
(Beginning After Heading "Examiner's Comments")

Point 1

The Answer asserts that, in essence, "this case is about applying basic 101 marketing and economic principals (sic)."

This assertion reduces the claimed invention to a "gist," which is prohibited. MPEP § 2141.02, second heading, states:

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Distilling the Invention down to a "Gist" or  
"Thrust" . . . disregards "as a whole"  
requirement.

Further, as explained herein, the Answer's reduction to a  
"gist" ignores claim recitations. Those recitations have not  
been shown in the prior art. That is not allowed.

Therefore, this assertion of the Answer cannot be used as a  
basis for rejection. This assertion fails to consider the claims  
"as a whole," and is a non-acceptable reduction to a "gist."

Point 2

The Answer is rejecting the wrong item.

The Answer is rejecting a **goal** supposedly achieved by the  
invention (increasing profit by application of basic economic  
principles, for example). But the Answer is not rejecting the  
claimed invention itself.

From another point of view, the fact that a certain **goal** is  
desirable does not mean that an invention which achieves the goal  
is obvious.

**Re: Answer, Page 5, Section 10, First Two Paragraphs**

Although the Answer does not mention claim 31 at this  
location, the issue is whether claim 31(b) is shown in the  
reference. Claim 31(b) states:

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b) predicting a time when usage of the ATM  
by customers will increase.

To show this, the Answer cites a passage in Estes which states "The ATM enhancement processor can therefore monitor and record the transactions."

This Estes-passage refers to accounting procedures, which make records of ATM transactions. Plainly, the Estes-passage fails to show the claimed "predicting."

This is particularly true, since the claimed "predicting" refers to a **future event**, namely, the "time when usage . . . **will increase**." But the "monitoring" and "recording" in the Estes-passage refer to a **current event**, or possibly a recent past event, namely, the "transaction."

From another point of view, a **quantum difference** exists between the "predicting" of the claim and the "recording" of Estes.

-- "Predicting" refers to an event which has not happened, does not yet exist, and may never occur.

-- The "recording" of Estes refers to an event which **does** (or did) exist.

Claim 31(b) has not been shown in the applied references.  
MPEP § 2143.03 states:

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To establish prima facie obviousness . . .  
**all the claim limitations** must be taught or  
suggested by the prior art.

**Re: Answer, Page 5, Section 10, Third and Fourth Paragraphs**

Response 1

The issue is whether the Final Action's rationale for combining the references is correct. The rationale is that one reference (Mishkin) teaches an increase in price, to "capture the highest possible revenue."

Appellant's Brief demonstrated that this rationale of the PTO is factually incorrect. (See Brief, page 5, "Point 3," and page 9, "Reason 2," for example.)

The Answer, fourth paragraph, states that it refutes the Brief on this point. That is not correct. No refutation is actually present.

No refutation of Appellant's rebuttal of the rationale for combining the references has been given. The naked assertion that refutation has been made is, of itself, insufficient.

Response 2

It appears that the Answer now argues that no teaching is required, because of the KSR decision. In response, Appellant makes the following points.

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POINT 1

Under the rules of precedent, the KSR decision is limited to its facts. This is true of all court decisions.

In KSR, the references contained **all teachings needed** to produce the claimed invention. Nothing was needed from the Examiner. No invocation of knowledge-of-one-skilled-in-the-art was required, apart from what the references taught.

Specifically: in KSR, claim 4 was in issue. The Court held that all elements of claim 4 were taught in a single reference (Asano), with one exception. That exception was a sensor, which sensed position of a movable pedal, but which itself was fixed in position. (550 U.S. at 7, 18.)

However, a Smith patent taught that such a sensor should be stationary, to avoid chafing of wires attached to a sensor which moved. (550 U.S. at 4.)

The court held that everything needed to produce claim 4 was found in Asano and Smith. (550 U.S. at 18.)

No additional teachings were required.

That is different from Appellant's situation. The PTO's motivation for combining the references is **not found in the references themselves**. The motivation was provided by the Examiner. And, as the Brief explained, that motivation is unfounded.

Thus, KSR is distinguishable.

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POINT 2

KSR is limited to a situation involving "a patent claiming the combination of elements of prior art . . ." (550 U.S. at 13, last full paragraph.)

To repeat: the "elements" "combined" must be **found in the prior art.**

Appealed claim 31(b) is not found in the prior art, as explained above. Nor is claim 35.

The Answer is not combining elements **found in the prior art.** KSR is distinguishable on its facts.

POINT 3

-- POINT 3A --

The Answer cites KSR for the proposition that a "specific teaching" is not required. That is not correct.

The court in KSR stated:

Often, it will be necessary for a court to look to

interrelated teachings of multiple patents;

the effects of demands known to the design community or present in the marketplace; and

the background knowledge possessed by a person having ordinary skill in the art,

all in order to determine whether there was

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**an apparent reason to combine the known elements in the fashion claimed by the patent at issue.**

To facilitate review, this analysis should be made explicit.

. . .

"[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." [Citation.]

(550 U.S. at 14.)

Therefore, one must find an "apparent reason" to combine the "known elements in the fashion claimed." One can look at the three items listed above, to find that "apparent reason."

Neither the Answer nor the Final Office Action has done this.

Further, as the last sentence in the cited passage above states, "mere conclusory statements" are insufficient. "Some articulated reasoning" must be present. Again, neither the Answer nor the Final Action has followed these requirements. No "articulated reasoning" has been given.

-- POINT 3B --

The Answer states "KSR forecloses Appellant's argument that a specific teaching is required . . ."

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That is incorrect.

The actual statement in KSR is this:

As our precedents make clear, however, the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.

(550 U.S. at 14.)

Thus, the Answer's assertion is incorrect. KSR states that, while "precise teachings" may not be required, nevertheless, "an apparent reason to combine the known elements in the fashion claimed" must still be given. That "reason" may be found in "the inferences and creative steps that a person of ordinary skill in the art would employ" are still required. Those "inferences" etc. have not been shown.

-- POINT 3C --

Appellant submits a short summary of KSR to be this:

An "articulated reasoning" or "apparent reason" for combining the references "in the fashion claimed" must be found.

The "reasoning" can be found in the prior art, or in demonstrated knowledge of the skilled person.

But "conclusory statements" are prohibited.



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Appellant submits that the rejections do not comply with KSR.

POINT 4

-- POINT 4A --

The Answer states:

Claims 31 - 41 recite combinations which only unite old elements with no change in their respective functions and which yield predictable results.

This is not the test of obviousness.

This statement merely asserts that the **individual elements** of the claims are found in the prior art.

Section 103 requires that the "subject matter" "as a whole" of the claimed invention be shown as obvious. Section 103, and case law thereunder, does not state that the **mere presence** of the claim elements in the prior art is sufficient for a rejection.

-- POINT 4B --

Further, the Answer's statement is incorrect. As the Brief explains, some claim elements have not been shown in the prior art. Claim 31(b) and claim 35 provide examples.

-- No "predicting" as in claim 31(b) has been shown in the prior art. Nor has the

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"increasing" of claim 31(c), which is based  
on the "predicting."

-- No "transmitting" nor "analyzing" as in  
claim 35 have been shown in the prior art.

The claims are not merely "combinations" of "old elements."

**Re: Answer, Page 5, Section 10, Fifth Paragraph**

No response is necessary.

**Re: Answer, Section 10, Paragraph Bridging Pages 5 and 6**

Point 1

This part of the Answer indicates that the PTO has abandoned  
its prior rationale for combining the references, and is now  
relying on its interpretation that KSR allows references to be  
combined without a supporting rationale.

If so, then the rejection must fail. KSR requires an  
"articulated reasoning." That has not been given.

Point 2

The Answer is modifying Mishkin. The rejection must be  
based on prior art, or knowledge within the prior art. This  
modification has not been shown in the prior art.

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### Point 3

The Answer is asserting that Mishkin's analysis, if applied to the claim's predicted increase in usage of an ATM, would suggest that Mishkin's "demand curve" would shift to the right. However, several problems exist in this assertion.

### PROBLEM 1

The assertion is contrary to Mishkin himself. As the quantity of bonds demanded changes in Mishkin's Figure 1, one slides along the demand curve  $B^d$ . (See Mishkin, page 105.)

One does not generate a new demand curve, as the Answer asserts.

In fact, generating a new demand curve renders Mishkin's analysis meaningless. A collection of new demand curves will cover every point on the graph, meaning that no unique intersection point with the supply curve  $B^s$  exists.

Mishkin's basic point is to illustrate how the two curves intersect to determine price.

The Answer's assertion (that Mishkin's demand curve, if applied to the claimed situation, will shift in position) is contrary to Mishkin.

### PROBLEM 2

A movement of a demand curve has not been shown in the prior

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art. Thus, that movement cannot be used to modify Mishkin.

### PROBLEM 3

The only source of the concept of a predicted increase in usage (which is said to shift Mishkin's demand curve) is Appellant's claims, which are part of the Specification. MPEP § 901.03 states:

#### Pending Applications

. . . pending U.S. applications are preserved in confidence (37 CFR 1.14(a)) and are not available as references.

MPEP § 706.02(j) states:

#### Contents of a 35 U.S.C. 103 Rejection

. . .

To establish a prima facie case of obviousness, three basic criteria must be met.

First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, **to modify the reference** or to combine reference teachings.

. . .

**The teaching or suggestion to make the claimed combination . . . must . . . be found in the prior art and not based on applicant's disclosure.**

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Again, the modification of Mishkin is based on Appellant's disclosure. That is not allowed.

#### CONCLUSIONS AS TO POINT 3

No valid justification has been given for asserting that Mishkin's demand curve shifts under the circumstances of claim 31.

The circumstances of claim 31 cannot be applied to Mishkin, because claim 31 is not prior art. Those circumstances must be shown in the prior art, which has not been done.

**Re: Answer, Section 10, Page 6, Second  
Paragraph (Beginning with "The Appellant") to End**

#### Point 1

The Answer asserts that the "gist" invoked in the rejection is merely a summary of the Examiner's argument.

Nevertheless, reduction to a "gist" is prohibited, as explained above. Thus, the summary of the Examiner's argument cannot be considered.

#### Point 2

The Answer isolates one business practice, and asserts that this practice trumps everything.

The business practice is that **sometimes** a seller will charge

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different prices at different times.

However, this assertion ignores the fact that other sellers **do not** charge different prices at different times. For example, the price of the New York Times, daily edition, has remained constant for years (although it may be different in New York City, compared with San Francisco).

This assertion further ignores the facts, which are explained in the Brief and which are self-evident, that you can increase total revenue or total profit in other ways, depending on the situation.

-- You can **reduce** price, to thereby sell more product at lower profit per unit, for a larger total profit.

-- You can **increase** price, to thereby sell less product at higher profit per unit, for a larger total profit.

Therefore, the Answer's assertion that sometimes sellers increase price on certain events is not relevant. Sellers can also reduce price, or keep price constant.

From another point of view, at least three practices are found in the prior art:

- 1) keeping price constant,
- 2) reducing price, and
- 3) raising price.

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The PTO has provided no teaching for selecting one of these, and combining the selected one with the other reference(s).

Stating this more simply, it is possible that the parameter which the Answer wishes to maximize (such as total revenue or total profit), would **increase** if the ATM **reduced** its fees. That is contrary to the claims.

Therefore, the PTO has provided no evidence that its purported goal (increasing revenue/profit) is attained by increasing ATM fees. Consequently, no valid reason has been given for increasing the ATM fees.

Given these facts, Appellant submits that the PTO's motivation for modifying the references is a "mere conclusory statement," which is prohibited by KSR.

### Point 3

Appellant repeats that the Answer focuses on the wrong issue.

The Answer is focusing on the **result** supposedly obtained by the invention, namely, an increase in profit. That focus fails to evaluate the claimed invention itself, as a whole, and fails to show elements present in the claims.

For example, claim 35 recites:

- a) transmitting performance data from the ATM over a network to a server . . .; and

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b) analyzing the data to determine volume of transactions at particular times of the ATM.

As the Brief explains, these two elements have not been shown in the references.

As another example, claim 31 recites a "predicting" process. That has not been shown in the references.

#### Point 4

Appellant respectfully points out that the Answer's overall rationale is based on a fallacy.

Appellant points out that the applied prior art does not state how ATM customers will respond to an increase in ATM fees. It is well known that, sometimes, an increase in price will cause a reduction in sales. However, an increase in the price of cigarettes and other vices does not seem to reduce sales much.

The Answer is **assuming** that the overall response of the ATM customers to the increase in fees will be to increase total revenue, or total profit, to the ATM. Thus, the Answer concludes, it is obvious to increase the fees.

But no evidence has been given in support of the Answer's assumption. Thus, no evidence is present supporting the rejection based on the "gist" of the invention.

Further, the claims do not recite an increase in total



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profit or total revenue. Nor do all claims state that fees for all customers are increased.

For example, fees for ATM cards of other banks could be increased, but fees for ATM cards of the bank owning the ATM could remain the same. Or they could be reduced.

The claims only state that some charges are increased. The PTO's goal does not necessarily lead to that.

#### **FINAL POINTS**

1. The rejection is based on the supposition that increasing ATM fees will increase total profit, total revenue, or something similar. This supposition has not been proven, nor shown in the prior art. Profit/revenue could go up, down, or stay the same if ATM fees increase. Thus, the PTO's supposition does not lead one to increase ATM fees, and does not lead to the claims.

2. This supposition merely points to a supposed goal of the invention, rather than the invention itself. The question is whether the **claimed invention**, as a whole, is patentable.

3. Even assuming the goal (increasing revenue/profit) is obvious, that does not make the invention which attains the goal obvious.

4. Even assuming that the goal (increasing revenue/profit) is obvious, the PTO has not shown that the claimed invention

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actually attains the goal. No expectation of success has been shown in the prior art. And the claims do not recite this goal.


5. The supposition reduces the invention to a "gist." Rejections based on a "gist" cannot be considered. The invention as a whole must be considered.

6. Several claim recitations have not been shown in the prior art.

#### CONCLUSION

Appellant requests that the Board overturn the rejections and pass all claims to issue,

Respectfully submitted,

  
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